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Marc A. Lebowitz (ML 7381)		
UNITED STATES DISTRICT COURT FOR THE		
SOUTHERN DISTRICT OF NEW YORK	V	
	- X	
HEAVY INC.	)	
HEAVI INC.	) C.A. No	
Plaintiff,	)	
	)	
V.	) COMPLAI	
	) JURY DE	MAND
SOCIAL NETWORKING TECHNOLOGY, INC. DBA SNT MEDIA,	)	
	)	
Defendant.	/ \	
	- X	
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Plaintiff, by and through their attorneys, Lebowitz Law Office LLC, as and for the complaint against defendant, allege as follows:

#### INTRODUCTON

This is a civil action seeking damages for breach of contract, anticipatory breach of contract, and unjust enrichment.

### PARTIES, JURISDICTION, AND VENUE

- 1. Plaintiff, Heavy Inc. ("Heavy"), is a Delaware corporation having its principal place of business at 330 West 38<sup>th</sup> Street, Suite 302, New York, New York 10018.
- 2. Defendant Social Networking Technology, Inc. dba SNT Media ("SNT Media") is a is a Nevada Corporation with a principal place of business at 110 South Main Street, 10<sup>th</sup> Floor, Wichita, Kansas, 67202.

- 3. This Court has subject matter jurisdiction over this action pursuant to 28 U.S.C. 1332 based on diversity of citizenship. The amount in controversy, exclusive of interest and costs, is in excess of \$75,000.
- 4. This Court has personal jurisdiction over SNT Media because (i) it consented to such jurisdiction under the agreement that governs its business relationship with Heavy; (ii) Heavy's performance under the agreement with SNT Media occurred in New York; and (iii) Heavy is a citizen of the State of New York.
- 5. Venue is proper in the Southern District of New York because, under the agreement that governs the business relationship between Heavy and SNT Media, SNT Media agreed to the laying of venue in this Court and consented to this Court exercising personal jurisdiction over it.

#### FACTUAL BACKGROUND

- 1. Heavy is an online media and advertising company, and through its wholly owned and operated website Heavy.com is an online information and entertainment destination which delivers realtime news and information reaching 23 million monthly unique visitors worldwide.
- 2. Upon information and belief, SNT Media is a Nevada corporation.
- 3. On or about December 17, 2015, SNT Media entered into a Insertion Order agreement (the "IO Agreement") whereby Heavy agreed to run an advertising campaign for SNT Media wherein Heavy agreed to

insert 120 million ad impressions for SNT Media for the first quarter of 2016 (a copy of the IO Agreement is annexed hereto as Exhibit A).

- 4. According to the terms of the IO Agreement, the cost per thousand impressions ("CPM") was \$6.00 CPM, meaning the total cost to SNT Media for Heavy's insertion of 120 million ad impressions would be a total IO Agreement amount of \$720,000.00.
- 5. According to the terms of the IO Agreement, the start date for Heavy's insertion of ad impressions for SNT Media would occur for a 90 day period beginning January 1, 2016 and ending on March 31, 2016 (the "90 Day Term").
- 6. According to the terms of the IO Agreement, the IO Agreement was non-cancellable for this 90 Day Term.
- 7. According to the terms of the IO Agreement, payment by SNT Media to Heavy for ad impressions would be based on Heavy's DoubleClick For Publishing (Google Ad Server) reporting ("DFP Reporting"), and Heavy would provide SNT Media with such DFP Reporting.
- 8. According to the terms of the IO Agreement, payment by SNT Media to Heavy would be net 15 days paid every 15 days.
- 9. For the month of January, Heavy (i) ran 28,128,629 ad impressions for SNT Media; (ii) provided SNT Media with daily DFP Reporting; and (iii) invoiced SNT Media in two separate invoices for a total amount \$168,771.77.
- 10. SNT Media paid Heavy \$168,771.77 for the January ad impressions, however, each invoice for the January ad impressions was paid late.

- 11. Then in February, in accordance with the IO Agreement, Heavy ran 52,993,737 ad impressions for SNT Media ("February Ad Impressions"), which was broken down as follows:
  - a. For ad impressions run from February 1, 2016 to February 15, 2016, Heavy invoiced SNT Media \$175,807.37, which was due on March 1, 2016; and
  - b. For ad impressions run from February 16, 2016 to February 29, 2016, Heavy invoiced SNT Media \$142,155.05, which will come due on March 15, 2016.
- 12. SNT Media has refused to pay Heavy for the February Ad Impressions which came due on March 1, 2016, and has repudiated, without basis, its obligation to pay Heavy for its February Ad Impressions which will come due to Heavy on March 15, 2016, under the terms of the IO Agreement.
- 13. Pursuant to the IO Agreement, March inventory is now running to fulfill the remaining \$233,265.80 balance of the IO Agreement, which requires service of the remaining 38,877,634 ad impressions.
- 14. SNT Media has repudiated, without basis, its obligation to pay Heavy its cost of inserting ad impressions for SNY Media in March 2016, which payment will come due under the terms of the IO Agreement.

## FIRST CLAIM FOR RELIEF (Breach of Contract)

- 15. Plaintiff incorporate herein each and every prior allegation.
- 16. By reason of the foregoing, Defendant have materially breached the IO Agreement.

- 17. Plaintiff have, at all times, satisfactorily performed all of their obligations to SNT Media under the IO Agreement.
- 18. As a direct and proximate result of Defendant's breaches of the IO Agreement, Plaintiff has been damaged in an amount to be determined at trial, but no less than \$551,228.23.

# SECOND CLAIM FOR RELIEF (Anticipatory Breach Of Contract)

- 19. Plaintiff incorporate herein each and every prior allegation.
- 20. By reason of the forgoing, Defendant has anticipatorily breached the IO Agreement.
- 21. Plaintiff have, at all times, satisfactorily performed all of their obligations to SNT Media under the IO Agreement.
- 22. As a direct and proximate result of Defendant's anticipatory breaches of the IO Agreement, Plaintiff has been damaged in an amount to be determined at trial, but no less than \$551,228.23.

# THIRD CLAIM FOR RELIEF (Unjust Enrichment)

- 23. Plaintiff incorporates herein each and every prior allegation.
- 24. Pursuant to the doctrine of quantum meruit, Defendant has been unjustly enriched by receiving the benefit of the ad campaign services provided by the Plaintiff in a sum to be determined at trial,

but believed to be no less than \$551,228.23.

### PRAYERS FOR RELIEF

WHEREFORE, based upon the foregoing allegations and averments, plaintiff, respectfully requests that the Court enter the following relief:

- a) That it enter against judgment against defendant Social Networking Technology, Inc. dba SNT Media on the first, second and third claims for relief in an amount to be determined at trial, together with interest, attorneys fees, and costs; and
- b) That it grants such other and further relief as it deems just and appropriate under the circumstances.

### JURY DEMAND

Plaintiff demands trial by jury on all issues and claims so triable.

Dated:

February 9, 2016 New York, New York

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